© Entire contents copyright 1987 by Crain Communications Inc. All rights reserved.

$1.50 a copy; $59 a year

9/1/87

C27104

NEWSPAPER

August 31, 1987

Creative Workshop
Coverage begins on Page 3

4520 EAST-WEST HWY #800
WASHINGTON DC 20014
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
02019094 9 AA00 8735 COMP 852
**********3-DIGIT 200

Advertising Age®

Crain's International Newspaper of Marketing. In Two Sections. Section 1.

Colgate slam-dunks P&G

Rolls national with new 'throw-in' laundry product

By LAURIE FREEMAN

Colgate-Palmolive Co., expecting to beat Procter & Gamble to the punch, is rushing an all-in-one "pouch" laundry product into national distribution.

P&G has been test-marketing a similar product under its Tide brand.

Colgate in October will introduce Fab 1 Shot, single-use packets that contain laundry detergent, fabric softener and an antistatic element, industry sources said. These sources believe the soapers' new convenience delivery package is the next hot battleground in the $3.25 billion market.

Colgate's packets are described as 4 inch-by-5 inch "fabric squares similar to a rosin bag used by baseball pitchers." The product apparently was not market-tested.

Although Fab 1 Shot's ad budget is not known, New York-based Colgate is expected to back the entry with a heavy ad blitz. It spent $30 million on its last big introduction: Palmolive Automatic, a liquid detergent for automatic dishwashers.

P&G's Tide Multi-Action Sheets, which combine detergent, whitener and fabric softener in one "quilted sheet," have been testing in the Quad Cities area of Iowa and Illinois, with ad support from Saatchi & Saatchi DFS Compton, New York (AA, June 30, 1986, *et seq.*).

Cincinnati-based P&G and Oakland, Calif.-based Clorox Co. also are testing "throw-in" pouches with detergent alone.

Sources said a TV campaign from FCB/Leber Katz Partners will show people tossing Fab 1 Shot packets into washing machines, with the action accompanied by the Harlem Globetrotters basketball team's theme song, "Sweet Georgia Brown."

Extensive print support also is planned.

Neither Colgate nor its agency would comment on the plans by press time.

In apparently beating P&G national, Colgate is hoping the move will pay off as well as it did for Palmolive Automatic.

The company, which aggressively has been seeking out new product niches, was the first to go national with a liquid detergent for automatic dishwashers. Within six months, Palmolive Automatic had locked up an estimated 18% to 20% share of what industry analysts say is the fastest-growing segment of that $500 million category.

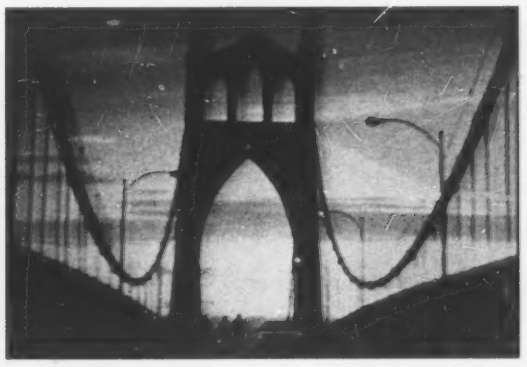
Colgate did not test-market Palmolive Automatic, handled by Young & Rubicam, before its national rollout.

"Colgate figures they'd rather be first than careful," said Jay Freedman, household products analyst with Kidder, Peabody & Co.

"This [pouch] is a new type of technology that other big companies have been testing to see if it's viable," he added. "Colgate decided to take the chance that it is."

Industry sources said P&G may be getting close to a national launch of Cheer Power Pouches, containing concentrated Cheer detergent. The product is testing in Atlanta and Denver. Leo Burnett USA, Chicago, handles.

Clorox has been testing Act, a concentrated laundry detergent in "action-paks," in several markets since 1985. DDB Needham Worldwide, Chicago, handles Act.#



Highway Regalia

General Motors Corp.'s Buick division will introduce its 1988 Regal with a campaign breaking in late September. A product and image-oriented commercial sings the praises of driving Regal on scenic American highways. The spot focuses on Regal's all-new appearance and exclusive features. McCann-Erickson, Troy, Mich., created the campaign *(see story on Page 52)*.

Dusenberry to lead Kemp ad campaign

By STEVEN W. COLFORD

WASHINGTON—BBDO Chairman-Chief Creative Officer Phil Dusenberry, a major adviser on President Reagan's 1984 ad team, will quarterback the advertising of presidential contender Rep. Jack Kemp (R., N.Y.), a key source says.

Although Mr. Dusenberry refused to confirm or deny the report, the source said the noted adman, who was part of an advisory committee on President Reagan's "Tuesday Team," will be in charge of Rep. Kemp's media efforts.

The Tuesday Team, and the slick advertising it produced, received much of the credit for President Reagan's huge margin of victory. It consisted of such advertising heavyweights as San Francisco-based Hal Riney and Jim Travis, formerly of Della Femina, Travisano & Partners and now head of Hal Riney & Partners' New York office.

Mr. Dusenberry apparently will not be paid for his ser-

(Continued on Page 48)

Last Minute News

Burnett to start hispanic unit

CHICAGO—Leo Burnett Co. in September will start a hispanic marketing division, primarily at the urging of client Procter & Gamble, Cincinnati. President-CEO Rick Fizdale said the agency hasn't yet decided on a name, but Estrella—"star" in Spanish—and Leo Burnett Hispanic have been discussed. The unit will be integrated with Burnett's general agency. Burnett will not "aggressively go after" its clients' minority business now at other agencies, Mr. Fizdale said, but may displace Noble & Asociados, Los Angeles, which handles hispanic marketing for P&G's Pepto-Bismol.

Raisins to perform for Del Monte

SAN FRANCISCO—Del Monte USA is using the California Raisin Advisory Board's rockin' raisins to promote Del Monte Fruit Snacks and Del Monte seedless raisins. The company is offering consumers a plastic version of the raisins, perched on a plastic sandwich, in a custom-made

(Continued on Page 8)

Della Femina vs. S. Africa, Page 18

Research may get costlier

Nielsen buys key rival IRI

By GARY LEVIN

Dun & Bradstreet Corp.'s purchase of Information Resources Inc. not only increases its dominance of the research industry but raises the likelihood of higher prices for services of a merged IRI and A.C. Nielsen Co.

Last week's acquisition agreement, a stock-swap transaction valued at $572 million, boosts D&B's total research-business investment to more than $2 billion, including its $1.3 billion purchase of Nielsen itself in 1984.

In addition to eliminating a fast-growing competitor, the deal strengthens Nielsen's weakest link—"single-source" purchase data measurement—by adding BehaviorScan and InfoScan, Chicago-based IRI's most successful services.

"It looks to me like the giant has taken care of the problem," said the president of one major ad agency.

Antitrust issues raised from the pending combination

(Continued on Page 48)

CBS 'consolidates' account at Backer

By VERNE GAY
and JON LAFAYETTE

NEW YORK—After a prolonged, sometimes agonized search, CBS finally settled on Backer Spielvogel Bates as its new ad agency. But there's no guarantee the choice will put a lid on the turmoil within CBS' promotional ranks.

While the new account has all the earmarks of "prestige" business for newly merged BSB, there are dangers in dealing with what has been and what may continue to be a fractious client organization.

CBS said BSB is getting a consolidated advertising and promotion account—for entertainment, news and sports programming. CBS/Broadcast Group President Gene Jankowski's statement said the selection of a single shop follows consolidation of the network's ad and promotion staff.

However, BSB will report to both Bruce Weiner, VP-advertising and promotion for the CBS Television Network (which includes the news and sports division), and Jerry Goldberg, VP-advertising and promotion of CBS Entertainment (prime-time programming).

Mr. Weiner is based here; Mr. Goldberg is in Los Angeles. BSB said it would service CBS from here and from its Huntington Beach, Calif., office.

CBS previously split its account between Jacobs-Gerber and Ogilvy & Mather in Los Angeles, and DDB Needham Worldwide in New York.

It is the West Coast/East Coast split of responsibilities that has created some of the past turmoil within CBS. Bud Grant, president of CBS Entertainment, has insisted on handling entertainment promotion from the West Coast.

Network President Tom Leahy, along with other top CBS executives, reportedly wanted to consolidate all areas of advertising in one department, presumably based on the East Coast.

Mr. Weiner was just named to succeed Network VP-Advertising Doug Clemensen, a 3½-year CBS veteran who three weeks ago quit in frustration after only eight months on the job, apparently in a dispute over the "total responsibility" question (AA, Aug. 17). Mr. Weiner was VP-print advertising and affiliate promotion.

Sources said Mr. Clemensen expected to run the "consolidated" ad program but that Mr. Grant successfully kept entertainment promotion under his direct supervision.

"There needed to be a delineation of what I was responsible for," Mr. Clemensen said after his resignation. "That was not forthcoming from the company."

He said it was unclear who was responsible for

(Continued on Page 49)

Highlights

Purina fights to stay top dog 12

Ralston Purina Co. is putting Quaker Oats Co. on notice that it will fight to keep its No. 1 spot in the $3.4 billion dog-food market. Purina is doubling product introductions and reformulations as well as breaking innovative ads, including a bacon-scented "scratch 'n sniff" newspaper insert for Butcher's Blend dry dog food. Purina is responding to Quaker's acquisition of Anderson, Clayton & Co. and its Gaines dog-food line, as well as Quaker's heavy ad support for new products.

BBDO wins Pizza Hut business 47

PepsiCo strengthened its bonds with Omnicom Group last week when Pizza Hut awarded its $25 million national account to BBDO Worldwide. BBDO, principal agency for Pepsi-Cola USA, picks up both the creative assignment and media buying.

C/D big enough for Drexel Burnham 51

The insider trading scandals that rocked Drexel Burnham Lambert changed the industry's advertising environment and threatened Chiat/Day's hold on the account. Drexel stayed with C/D, credited with the now-famous "I thought I was too small for Drexel Burnham Lambert" line. In his speech to the ADVERTISING AGE Creative Workshop, Drexel Senior VP-Director of Marketing Richard Capalbo gave the agency high marks for its creative approach to countering bad publicity.

INTERNATIONAL

Crush opens Brazilian doors for P&G 34

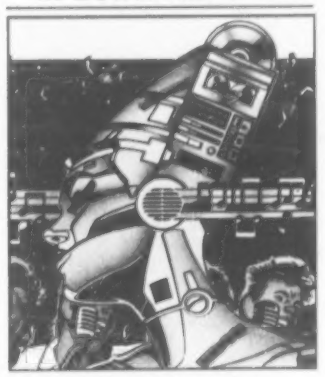
Procter & Gamble Co. aims to return Orange Crush to its previous popularity in Brazil and make its mark in one of the few Latin American countries where other P&G products are not sold. Crush is considered a P&G trailblazer in Brazil.

OTHER NEWS

When A&W Brands acquires Vernors brand soft drink next month, the regional company finally will have the resources to pursue national distribution. Page 27.

Adolph Coors Co. has invited GSD&M, its hispanic-marketing agency, to vie for its $40 million Coors brand account. Page 46.

SPECIAL REPORT



Radio—New Age music has ... at several stations wafting ... charts. But listeners may be too tuned out to receive commercial messages. Starts after Page 24.

REGULAR FEATURES

ADVERTISING MARKETPLACE	41	CURRENTS	22	MEDIAWORKS	38
AD REVIEW	44	DIRECT MARKETING	26	PRESSTIME	6
AGENCY PEOPLE	35	EDITORIAL	16	REGIONAL NEWS	30
BEST OF PRESS	36	FOR THE RECORD	47	STROOCK	33
BOOK REVIEW	44	FORUM	18	THE NEXT TREND	32
BRADY	32	GARFIELD	33	U.S. NEWSWATCH	4
BRADY'S BUNCH	46	LETTERS	19	WORDS	33
CON-SID-ERATIONS	16	MEDIA PEOPLE	37	WORLD NEWS ROUNDUP	3
CORRECTIONS & CLARIFICATIONS	6				

Vol. 58, No. 37—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semiweekly the fourth week in March and the first week in September at 740 Rush Street, Chicago, Ill. 60611-2590. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691. $1.50 a copy, $59 a year, $104 two years. Add $104 per year for air delivery to Europe & Middle East. Adv. $34 for surface mail to all other foreign countries. WILLIAM STRONG, VP-circulation; JOHN HUFFMAN, fulfillment director; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207 (313) 446-0494.

Fla. voters face ad blitz on tax issue

By STEVEN W. COLFORD

Florida Gov. Bob Martinez' call for a referendum on the state's ad tax offers advertisers the chance to duel with the governor on their own turf: the media.

Gov. Martinez has asked the Legislature to approve a referendum on the entire 5% service tax, including the ad tax. He is planning an all-out media assault supporting the tax.

The tax is unique because it hits not only advertising in Florida media but national advertising that reaches into the state. The tax expansion took effect July 1, and has been challenged in several separate lawsuits on grounds it unconstitutionally restricts interstate commerce and freedom of speech.

Still uncertain is whether the Legislature will go along with Gov. Martinez' referendum call. Democratic legislative leaders are reluctant to support a Republican governor on a tax issue that could have political fallout.

To get the referendum on the March 8 ballot, three-fourths of the members of each house of the Legislature would have to endorse the idea at a special session that will be called Sept. 14 to discuss medical costs.

Last week, influential House Speaker John Mills (D., Gainesville) reiterated his opposition to a referendum.

If there is a referendum and voters endorse the tax, the ad industry will have to bank on either legislative or court-ordered changes.

If voters reject the tax, the state's constitution, which already prohibits a personal income tax, will be amended to prohibit a sales tax on services. In that event, Gov. Martinez likely would say he bowed to the will of the people.

With such an enviable scenario looming, industry spokesmen already are talking up prospects for an ad battle that could occupy Florida TV, radio and print until the anticipated referendum.

"We've heard that the governor intends to support his call for a public referendum with an all-out media campaign to retain the tax," said American Advertising Federation Senior VP Wally Snyder. "We haven't formulated any specific plans of our own yet . . . but we'll certainly want to get across to the voters of Florida the negatives of the tax and the pluses of repealing it, and the ways for us to respond certainly would include radio and TV and grass-roots lobbying."

By calling for a referendum, Gov. Martinez tacitly made two concessions:

- That the political and economic heat fomented by the tax on advertising and other professional services has grown intolerable for him and his legislative supporters facing re-election fights next fall.
- That his best chance to save the tax and his bruised political reputation is by winning public support with an ad campaign that would be countered by an ad industry campaign.

Susan Traylor, Gov. Martinez' press secretary, said the governor opted for a referendum to overcome "misinformation" about the tax spread by broadcasters and other anti-tax forces.

To counter that misinformation campaign, she said, Gov. Martinez plans a "media campaign just like any other political campaign," aimed at convincing the public to endorse the tax.

Public polls in Florida repeatedly have shown the tax is opposed by at least 60% of the state's population.

Ms. Traylor wouldn't comment on what kind of budget Gov. Martinez planned for his campaign, but ad industry lobbyist Robert Levy of Robert M. Levy & Associates, Miami, said the governor wants at least $2.5 million for his media assault. No state funds would be involved.

Ms. Traylor said it was unlikely the governor would use an ad agency but instead would rely on

(Continued on Page 48)

Frisco agencies compete

Seagram searching

SAN MATEO, CALIF.—Seagram Classics Wine Co., a newly formed spinoff of Joseph E. Seagram & Sons, is evaluating DDB Needham Worldwide, Grey Advertising and Sokol & Berman, all San Francisco, for its estimated $3 million-to-$4 million premium wine account.

Larsen Colby Koralek, Los Angeles, which was recently purchased by Seagram's New York agency, Levine, Huntley, Schmidt & Beaver, is working on projects and still may be a contender.

Camp Beverly Hills, a Beverly Hills, Calif.-based fashion marketer, may re-assign its $1 million-to-$2 million corporate image account or take it in-house, sources say. Incumbent Scali, McCabe, Sloves, Los Angeles, is presenting new creative work this week in hopes of keeping the business it won a year ago.

Carolco Pictures, a new Los Angeles-based motion picture production company, has selected Saatchi & Saatchi DFS, Torrance, Calif., as its agency after a review of several local shops, sources said. The agency will develop creative direction and strategy only, with an annual budget of about $500,000.

West Coast News

Southern California Rapid Transit District, Los Angeles' mass transit authority, is expected to hire Kollewe & O'Sullivan to replace Gumpertz/Bentley/Fried as its agency for the rest of the year, sources said. G/B/F resigned the estimated $600,000 account. RTD will conduct a formal review in Octo-

"How many of these albums would have been sold if instead of 12 different tracks, it had consisted of the same song rearranged 12 different ways?"

Larry Light president-ceo Ted Bates International

Staff photo by Arnie Alder

Larry Light spins ad 'album' concept

By FRED DANZIG

CREATIVE

NEW YORK—Bruce Springsteen's "Born in the USA" and other rock album megahits illustrate a vitally important approach to creative advertising, says Larry Light, president-ceo, Ted Bates International.

In an elaborately mounted presentation last week at the ADVERTISING AGE Creative Workshop here, Mr. Light urged his audience to "think of an advertising campaign as if it were an advertising *album*."

The 30th annual Creative Workshop attracted more than 800 advertising professionals from the U.S. and 43 other countries to the New York Hilton.

Referring to albums by Mr. Springsteen and others, he asked, "How many of these albums would have been sold if instead [of 12 different tracks] it had consisted of the same song re-arranged 12 different ways? Yet many advertising campaigns consist of the same single merely rearranged several different ways. That's not an album. That's boring."

Among Mr. Light's list of "fabulous advertising

(Continued on Page 50)

Chevy ad plans take local road

By CLEVELAND HORTON

General Motors Corp.'s Chevrolet division will boost regional ad spending by 25% to an estimated $62.5 million in the 1988 model year, or about 20% of Chevy's total annual ad budget.

In a trend many major national advertisers are adopting, Chevrolet is increasing the customized ad messages it carries to its six designated regional marketing areas. Each advertising schedule will be tailored to regional tastes and lifestyles.

At the same time, Warren, Mich.-based Chevrolet is sticking with its 1987 "Heartbeat of America" theme. It will use that theme to back its so-called "core models."

Apart from the GM division's belief that the "Heartbeat" theme has been effective with many age groups, Chevrolet wants its ads to be consistent in a rapidly changing —and confusing—automotive marketplace.

Chevrolet has a 60% unaided awareness by young consumers and 45% overall awareness, thanks to "Heartbeat," said Dannielle Colliver, advertising manager for Chevrolet passenger cars.

The national campaign will concentrate on Chevrolet's core products—its light-truck line and the Caprice, Cavalier, Celebrity and Corsica/Beretta, all models with more than 200,000 unit sales, said Tom Staudt, general marketing manager.

The company's six regional zones will advertise the other cars, including the Suzuki-built Sprint and Isuzu-built Spectrum.

"We can't expect to [promote all the models] on a national basis," Mr. Staudt said.

Chevrolet's agency, Campbell-Ewald Co., screened two of the new "Heartbeat" spots last week at ADVERTISING AGE's Creative Workshop in New York. The new commercials had been shown only to Chevrolet employees and dealers.

In one 60-second spot updating a 1987 execution, Chevrolet adapts the "Heartbeat" song to jazz, gospel and other musical interpretations as scenes of Americana flash across the screen. In another, a narrator delivers information about Chevrolet's automotive and technological achievements.

Campbell-Ewald Creative Director Sean Fitzpatrick said more informational formats will be used.

Chevrolet's Ms. Colliver said ad spending for 1988 will be up but declined to say by how much. It is estimated that Chevrolet's advertising budget hit $320 million this model year.

"There will be fewer commercials

(Continued on Page 47)

World News Roundup

LONDON—An AIDS information campaign targeting drug abusers will break in September. The U.K. government sponsored the $6 million campaign, with the slogan "Don't inject AIDS." TBWA handles.

CHICAGO—NutraSweet Co. is launching a $5 million pan-European TV and print campaign to introduce the sugar substitute. The campaign, via Ogilvy & Mather here, will run for two to three years.

ZURICH—Swiss Air Transport and Lufthansa German Airlines are the first companies confirming an interest in buying Allegis Corp.'s Hilton International. Sale price could reach $2 billion.

AUCKLAND—Tele-Vid TV3 got approval as New Zealand's first privately owned national TV station. The 2½-year, $6 million legal battle for a license was opposed by two media groups, one backed by Rupert Murdoch. TV3, formed by broadcasters and journalists, will start broadcasting in 1989, with an estimated $50 million in ad revenues in the first year.

SYDNEY—Christopher Skase's Qintex Group plans to merge its Hal Roach Studios with Robert Halmi Inc., New York. Qintex will hold 51%

(Continued on Page 34)

Catalogs hit newsstands

By GARY LEVIN

The nation's shelf-space wars are moving beyond package goods and crowded supermarkets, as major catalog marketers expand into retail distribution nationally.

Single-copy sales aren't likely to generate huge additional revenues for the catalogs, but could force many smaller magazines off newsstands in the broadening battle for lucrative retail display space.

In a joint venture, Catalog Retail Corp., Ridgefield, Conn., and Curtis Circulation Co., New York, on Sept. 15 will start distributing 6 million copies of more than 200 catalogs to 7,600 newsstands nationwide.

The program is an expansion of a yearlong test at 1,000 Waldenbooks stores, in which CRC set up kiosks to sell 48 separate catalogs.

Unlike that effort, which sold 100,000 copies a month, this time the catalogs will be placed strategically on newsstand racks, alongside appropriate magazines.

For example, a Sharper Image or Sporting Edge catalog could be slotted next to *Esquire*, with Avon Fashions next to *Woman's Day*.

"Catalogs in separate displays

(Continued on Page 52)

Catalog sales will move from kiosks to magazine racks.

Awareness up for Bartles, BK

By SCOTT HUME

The July adWatch ad awareness survey results provide some good news for Pillsbury Co.'s Burger King Corp. unit and E&J Gallo Winery's Bartles & Jaymes wine cooler.

Both products are caught up in tough, competitive marketing battles in their categories.

Although ad awareness doesn't necessarily translate into sales gains, consumer recall of advertising for both Burger King and Bartles & Jaymes, as measured by adWatch, nearly has doubled in the past few months.

Bartles & Jaymes' advertising once again placed among the top 10 in unaided recall last month, though it slipped from the No. 7 to the No. 9 spot.

The news was better when the 1,000 survey respondents were asked specifically to recall the first wine advertising that came to mind. Bartles & Jaymes' share of first mentions increased to 16.2% from

(Continued on Page 47)

AdWatch survey of advertising awareness Top 10 in May

One thousand people were asked: Of all the advertising you have seen, heard or read in the past 30 days, which advertisement first comes to mind? *Source:* SRI Research Center Inc., Lincoln, Neb.

Rank		Advertiser	Agency
7/87	6/87		
1	2	Pepsi-Cola	BBDO Worldwide
2	1	Coca-Cola	McCann-Erickson
3	4	Miller/Miller Lite	J. Walter Thompson USA/ Backer & Spielvogel Bates
4	3	Budweiser/Bud Light	D'Arcy Masius Benton & Bowles/DDB Needham
5	5	McDonald's	Leo Burnett USA
6	—	Ford	J. Walter Thompson USA
7	9	Chevrolet	Campbell-Ewald Co.
8	—	Chrysler	Bozell, Jacobs, Kenyon & Eckhardt
9	7	Bartles & Jaymes	Hal Riney & Partners
10	8	Burger King	J. Walter Thompson USA

Why ads aren't making it on videos

By WAYNE WALLEY

LAS VEGAS, NEV.—Negotiations are under way to make "Platoon" the next major theatrical home video to include a commercial.

But odds are it will never happen because numerous stumbling blocks are preventing the home video industry from becoming a viable advertising medium.

New York-based HBO Video, which won rights to distribute this fall Oliver Stone's haunting Vietnam war experience, is continuing last-minute negotiations for sponsorship with an unnamed major marketer.

The idea is for the marketer to produce a special spot as a tribute to war veterans to tag onto the beginning of the cassette, said Eric Kessler, HBO Video's VP-marketing of new release feature films.

But with "Platoon" due in video stores by Oct. 14, Mr. Kessler doubts a deal will be struck in time. "The key issue here is timing. Manufacturers in general are writing ad plans now for next year, and when you come to them four weeks before and need a substantial commitment fast, it can't be done," he said.

Most observers believed Pepsi-Cola Co.'s Diet Pepsi spot on cassettes of Paramount Home Video's "Top Gun" earlier this year would open the floodgates for commercials on videos.

But virtually every major distributor of movie cassettes—CBS/Fox Home Video, Walt Disney Home Video, HBO Video, MCA Home Video, MGM/UA Home Video, Paramount Home Video, RCA/Columbia Pictures Home Video, Vestron Video and Warner Bros. Home Video—reports failed negotiations with potential advertisers.

"It's not for lack of effort or lack of interest," said Craig Relyea, director of advertising, MCA Home Video, Universal City, Calif. "We've been close, but it just hasn't been the right movie for the sponsor.

"But as more sponsors like Pepsi get more comfortable with video as a vehicle, the advertising will follow. It's inevitable."

Some say the real reason advertisers have yet to strike deals with home video companies is the lack of a way to measure the impact of a spot on video.

"Advertisers need a number of impressions or a rating to understand what they are getting," said David McKenzie, a producer for Hollywood-based Associated Television International. "But video isn't the same as buying spot TV. This is just like TV syndication was 20 years ago."

Still, most people in the video industry agree that ads on cassettes will be the wave of the future.

Most video companies have approached or been approached by advertisers from most categories.

One video company said a pharmaceutical company asked to place an ad for a suppository on one movie. "How could we market it? It just wouldn't work," a source said.

Others attending the Video Software Dealers Association meeting here earlier this month said the barrier to ads on videos is a fear of a backlash from consumers seeking commercial-free programs.

"Both the advertisers and the studios need to be and are being sensitive to the consumer. It's a delicate issue. How do you present a 'commercial' to people clearly attracted to feature films on videocassette because of the ability to see a movie full length?" said Vallery Kountze, VP-marketing, Republic Home Video, Los Angeles.

"We are not looking to put commercials on cassettes just to put commercials on cassettes," said Eric Doctorow, VP-sales and marketing, Paramount Home Video, Hollywood. "Our Diet Pepsi/'Top Gun' experience sets up an expectation for future promotions. We have set the gold standard."

Paramount did discuss ads and tie-ins with several companies including Pepsi-Cola for the upcoming video releases of " 'Crocodile' Dundee" and "Star Trek IV," but Mr. Doctorow said the timing and creative could not be worked out.

Although Paramount has no strict guidelines for advertiser involvement, Mr. Doctorow said a proposal must meet three criteria: the commercial has to offer the consumer a direct benefit, be it reduced price or added premium; it has to be respectful of and tie in with the movie; and the advertiser has to create a promotional campaign to help Paramount market the title in addition to a piggyback marketing effort.

Walt Disney Home Video, Burbank, is looking for multilevel involvement with an advertiser beyond the placement of a commercial.

"We think it's a very good idea if it includes a big promotion," said Carole Black, VP-worldwide marketing. "But we would only do it for our Touchstone titles. Our consumer research shows that parents of children would prefer commercials not be on [our Disney titles] at this point."

Even producers and distributors of specialized travel, exercise and how-to videos want to be careful of alienating customers.

"You have to keep credibility," said Laura McKenzie, a travel reporter who hosts a series of one-hour videos called "Travel Tips."#

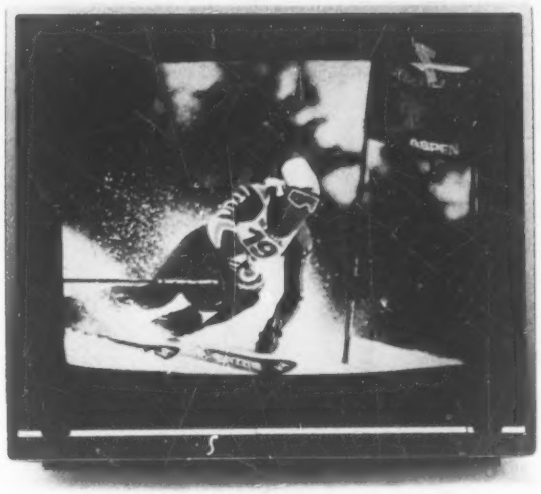
CORRECTIONS & CLARIFICATIONS

- Due to a transmission error, Dow Jones & Co.'s 1987 second-quarter net income was reported incorrectly (AA, Aug. 17, P. 44). The increase was 17% to $49.1 million, from $41.9 million a year earlier.
- The following are corrections for ADVERTISING AGE's 100 Leading Media Companies special issue on June 29:

Landmark Communications: The *Richmond Times-Dispatch* was erroneously listed as part of Landmark Communications. In its place should have been the morning *Virginian-Pilot* and the evening *Ledger-Star*.

Dow Jones & Co.: DowPhones should have been included in media operations and DowAlert, Dow Jones Cable News (videotex) and *South China Morning Post* omitted. Newsprint mills should not have been identified with DJ's publisher, Richard D. Irwin Inc.

Macromedia: Robert Sapanara is the correct spelling of the president of Macromedia's *News Tribune* subsidiary.#



Freeze. Frame.

Introducing the fastest, easiest way to get quality prints and slides from video.

Now you can capture the moment, freeze it, and frame it. All with the touch of a button. With the new FreezeFrame Video Image Recorder from Polaroid.

FreezeFrame produces sharp, instant color prints and color or black and white 35mm slides from virtually any video source. And it delivers a finished picture that is far superior in quality and resolution to direct screen photography or thermal video image recorders.

System includes Video Image Recorder, control console, and print film camera/adapter. 35mm camera adapter optional.

FreezeFrame can be used in broadcast, production and advertising to proof, edit, storyboard, or reference.

It can also be used to pull a print off a just-breaking news story.

The FreezeFrame system includes a Video Image Recorder, control console, and print film camera/adapter. And the system connects easily to video cameras, professional VCR's, laser disc players and computer graphics systems.

New FreezeFrame from Polaroid. It's fast, easy and at $1,899* very affordable.

To find out how FreezeFrame can help you, call toll-free 800-343-5000 8 a.m. to 8 p.m. Eastern Time.

Or fill out and return the coupon. We'll give you the full picture and show you just how easy it can be to capture the moment on FreezeFrame.

For more information, mail this coupon to Polaroid Corporation, Dept. 678, P.O. Box 5011, Clifton, NJ 07015.
☐ Please send more information.
☐ I'd like a demonstration. AAD8/31
Name _____
Title _____
Company/Institution _____
_____
Address _____
City _____ State _____ Zip _____
Telephone _____
Video Source _____
Application _____

Polaroid

© 1987 Polaroid Corporation "Polaroid" ® "FreezeFrame." ™ *Suggested base list price.

Image courtesy: The Photo Store

Special Report

Soft touch a new age for medium

By Janice Steinberg

Whether they love it or hate it, everybody in radio is talking about the Wave. The Wave—a no-talk format that blends light jazz, soft rock and New Age music—premiered on former Los Angeles rocker KMET-FM (now KTWV-FM) on Valentine's Day.

The station's ratings rose from a 1.9 share in the January, February, March Arbitron book to a 2.5 in the April, May, June book, which alone could make station managers around the country stock up on Andreas Vollenweider albums. What's even more compelling is that KTWV came in fifth in the 80-station Los Angeles Area of Dominant Influence among the 25-to-54 demographic it was designed to reach by Frank Cody, station program director, and Leech Inc., a Los Angeles-based research company.

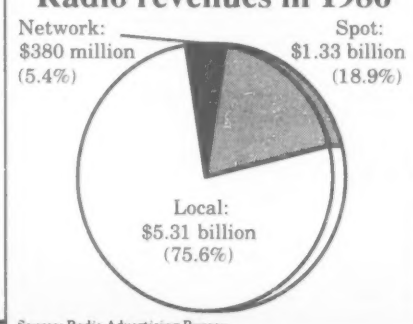
Specifically, the Wave was caught by—drum roll, or maybe harp arpeggio—the baby boomers. "Over the last couple of years and for the next, I'd say, 12 to 18 months, the significant majority of radio stations will chase what we at Joint Communications call the 'big generation,'" says John Parikhal, ceo of the Toronto-based media consultancy. "You're going to see a tremendous fragmentation and experimentation in formats to reach them."

Lee Abrams, director of Atlanta-based radio consultancy Burkhart/Abrams/Douglas/Elliot & Associates, created a soft jazz/New Age format introduced by KLRS-FM in Santa Cruz, Calif., in March; and by Chicago's WNUA-FM (formerly WRXR-FM) earlier this month. Mr. Abrams' format is more purely New Age than the Wave, which plays a lot of soft rock. Aptly named WBMW-FM in Washington, and KTOU-FM in Salt Lake City also have New

(Continued on Page S-2)

San Diego-based freelancer Janice Steinberg is a frequent contributor to Special Report.

Radio revenues in 1986



Source: Radio Advertising Bureau

Syndication boosts stations on a budget

By Hortense Leon

There used to be seven on-air people, alone, at WNDE-AM, Indianapolis. Now the Taft Broadcasting Co.-owned oldies stations has only two employees.

On Feb. 7, 1987 the station switched from live, local broadcasting to 24-hour syndication provided by Transtar Radio Network, which broadcasts live from Los Angeles.

"What this means," says Ed Sanders, WNDE's general manager, "is that now we have at our disposal better disc jockeys, more music to choose from and better sound quality for less money. Today, it is difficult for an AM station to survive on its own. A large operation like Transtar can better afford to pay on-air staff and do costly research."

Transtar, Colorado Springs, Colo., claims about 600 affiliates. Its only direct competitor is Satellite Music Network, Dallas, which claims to have 800 affiliates. Both provide 24-hour programming daily, which could replace all of a station's programming needs. With this kind of arrangement all a broadcaster needs is a satellite dish and a sales staff. The station remains, but much of the operating costs disappear.

"While a station in Chicago may be able to hire a disc jockey for $100,000 a year or more, stations in small towns, which are only billing $300,000 a year, are hard-pressed to hire a disc jockey for even $250 a week," says Jim Wood, VP-programming for Cleveland-based Malrite Broadcasting Corp—owner of 13 radio stations and six TV stations.

Danny Flamberg, senior VP-communications at the Radio Advertising Bureau, New York, says, "For $1,500 a month, a small station can fire all of its disc jockeys and program staff and hire a kid making minimum wage to punch up the local commercials and save on all the operations costs."

Marianne Bellinger, director-public relations for Satellite Music Network, a 6-year-old company with 1986 gross revenues of $15.6 million, puts it this way: "Advertising sales in local markets are tough right now. By becoming an affiliate, station managers can cut out programming costs and devote all their time to local sales and promotion."

SMN, which has seven formats, charges its affiliates $1,150 per month but less than half actually pay the fee. "Because we want our network represented from an advertising standpoint in the top 75 markets, for a good broadcast operation, we waive fees in medium and larger markets," says John S. Tylor, SMN's chairman.

SMN "retains" only two minutes per hour out of a maximum 14½ minutes that can be devoted to commercials. For most of Transtar's five formats, the company retains two minutes out of 12—including Format 41, Adult Contemporary, Country, AM Only and The Oldies Channel. Transtar's fee of $1,000 per month is waived in larger markets.

Local stations probably can afford to give up two minutes of their advertising time, which is less than what more established networks ask. At the same time, the local stations have trouble selling all their inventory.

"The local media have suffered because local businesses have died. The small shoe store can't compete with Fayva or Kinney, so it goes out of business. The large companies don't depend on local ads," Mr. Flamberg says.

But even if local advertising is soft, it far outdistances the network dollars. In 1986, radio's ad revenues totaled $7.02 billion, of which network advertising accounted for only $380 million, while spot radio spending totaled $1.33 billion and local advertising accounted for $5.31 billion, according to the Radio Advertising Bureau in New York.

What is considered a network, rather than a syndicator, which generally sells individual programs, is a tricky question. A standby definition is that a company is a network if it broadcasts programs simultaneously. But even this definition falls apart in the face of technology, which allows a station to tape satellite programming and play it later.

Janice Burenga, VP-creative services for New York-based United Stations, says that in 1981, when the company was founded, it battled with the trade papers over its right to be called a network. The company's rationale was that its affiliates, like the major networks, broadcast programs soon after they are transmitted, for example, over a weekend, if not exactly on Saturday night at 8 p.m.

Disc jockeys from Transtar Radio Network's broadcasting center in Los Angeles feed programming to about 600 affiliates.

Ms. Burenga also defends the company's right to be called a 24-hour network such as Transtar on the basis of the company's hourly news reports. Clearly though, the programs are not continuous in the same way as Transtar. United Stations sells individual programs more than it provides continuous coverage.

Most networks also have syndication arms. Mr. Flamberg says the difference between a network and a syndicator is how they are rated. "Networks are rated by RADAR as a whole, whereas a syndicator is rated in each market by Arbitron."

Bruce B. Cheen, media analyst at Paul Kagan Associates, Carmel, Calif., says, "The term network is an old word. Generally though, the syndicator supplies content and programming, but no schedule."

Mr. Cheen estimates that there are 67 radio syndicators and 25 networks. But it depends on who is doing the counting. Bob Lobdell, president/executive director of the Radio Network Association, New York, says there are 30 networks.

Another participant is Westwood One. Westwood, which dominates 15% of the market and is about to acquire NBC Radio Network—increasing its share to 30% of the market—was born as a syndicator over a decade ago. It became a network in 1985 when it bought the Mutual Broadcasting System.

But, from the advertiser's standpoint, it may not matter if the station is syndicated or is part of a network. At least the difference may not be very great. Mr. Lobdell says that it matters because an advertiser who buys 10 spots on network is more likely to hit the same listener 10 times, thus driving home the message more efficiently. With a syndicated program, there might be only two spots on each station that carries the program. Five people instead of one are more likely to hear the message.

The advertiser does not care whether his message is broadcast on a syndicated program or a network, Mr. Flamberg says. However, he does point out that a syndicated special, for example, one on a health issue, might be a hospitable environment for a commercial for athlete's foot powder.

From the standpoint of the station, Mr. Flamberg believes that syndicated shows are hard to sell. "Who cares about a show on health issues?" he asks. "If, on the other hand, you are selling a Madonna retrospective, which will run simultaneously with a Madonna tour, people might listen. But in general, the market for syndication has gotten terribly oversaturated recently." AA

Hortense Leon is a Miami-based freelance writer.

A new age for radio

(Continued from Page S-1)

Age formats.

"It looks like the whole thing's going to explode," Mr. Abrams says. In spite of the likely short-term growth of New Age, many analysts caution the format's appeal is limited.

"I think it can be successful in sophisticated markets—Los Angeles, Washington, New York, Boston, Atlanta, Seattle, San Francisco," says Jim Duncan, a Kalamazoo, Mich.-based consultant who publishes "American Radio." "But it's not going to sweep the country, it's not going to acquire a 10% share of listening nationally."

One station in every market may make it with a New Age format, Mr. Parikhal says. Stations that aren't the first in their market to go New Age face the question of how to increase their share of the 25-to-54 age group. Probably the most successful answer has been adult contemporary, says Jhan Hiber, VP-research at Cleveland-based Malrite Communications.

"There are a couple reasons for that," he says. "First, although we have our fringe elements here in America, we're largely a mainstream, organized society, and that's very much a mainstream white-bread kind of format.

"Second, there are two or three categories of adult contemporary," Mr. Hiber says. He differentiates between foreground adult contemporary formats, those with prominent personalities, and "the laid-back AC stations—the ones whose main claim to fame is, all we do is play music, we don't talk."

Mr. Duncan includes oldies formats—Top 40 hits from the '60s and '70s—under the AC umbrella, and says the growth in oldies is the reason AC went from a 15.8 share nationally in fall 1985 to 18.2 last year.

He says oldies album cuts also are revitalizing album-oriented rock. "That format has been growing steadily for the past four years."

"We were the first ones to do classic hits/classic rock 'n' roll back in September 1985 for WZLX in Boston," says Gary Guthrie, president of Edinborough Rand, a Scottsdale, Ariz.-based consultancy. "They went from 19th in the 25-to-44 demo to second in five or six months."

The reason oldies formats are so hot goes straight to the aging baby boom demographic, says Mr. Parikhal. "To a generation that's going through midlife, it's very attractive to look back to the songs they grew up with and use them as markers for the next journey forward."

More listeners also will turn to talk radio, he says. "You're going to see talk radio exploding as people try to explore themselves." Traditionally aimed at older listeners, talk will evolve into a format more relevant to people in their 30s and 40s, he says.

Jazz also is experiencing a rebirth as the baby boom ages. Few stations offer an all-jazz format, but soft jazz is a mainstay of the New Age formats.

On July 1, WHN-AM in New York traded in its call letters, crated up its country records, and debuted as all-sports WFAN. The station's primary target audience is 25-to-34-year-old males, says John Chanin, WFAN VP-programming and operations. Secondarily, they'd like the 25-to-54-year-old demographic. Recently purchased by Indianapolis-based Emmis Broadcasting, WFAN fulfills a long-held wish of Jeff Smulyen, Emmis president, and Steve Crane, senior VP, to make an all-sports format work on AM, he says.

A long list of factors made them decide the format could succeed in New York, he says. "The number of professional franchises in New York City—two baseball, two football, two basketball, three hockey teams, the site of U.S. Open Tennis, the host for two major golf tournaments a year . . . And the male demographic in this area, plus the fact it's a three-shift town, which means you've got potential listeners around the clock, in what has always been hailed as the most ardent sports fan town in the country." WFAN is also the flagship station for the Mets baseball team.

It's still too early to estimate the all-sports station's ratings, but Brian Beglane, promotion director, says audience response has been "tremendous—the phone lines are constantly lit up, 24 hours a day." He says although they lost a few advertisers with the format shift, they have signed 35 new advertisers.

Of course, some radio programmers don't worship at the shrine of the baby boom.

They see their task as not to attract baby boom listeners, but to convince advertisers that life exists before 25 and after 54.

Ted Dorf, VP, general manager of Beautiful Music WGAY-FM, Silver Spring, Md., chairs the 35-to-64 Committee, an association of radio stations, networks, reps and syndicators who banded together five years ago to promote the older demographic to advertisers.

Among the facts he uses to make his case: "People over 54 have the most discretionary income in this country. They're the people who are able to take the trips, who are able to buy the fine clothes, have the second homes. They're the people the financial community wants to talk to."

Nevertheless, Mr. Dorf says, advertisers have been slow to

(Continued on Page S-6)

WFMT rolls over Beethoven

By Eileen Norris

Perhaps composer Ludwig van Beethoven *would* roll over if he knew how far his beloved classical music has come. In less than one year, Chicago radio station WFMT-FM has sold its Beethoven Satellite Network to 70 stations around the country, mostly noncommercial.

Radio stations can take the 11-hour BSN live via satellite—which the majority do—from 10 p.m. until 9 a.m. (ET) or tape it and air it later. Either way, the new service, which costs $3,000 to $12,000 a year, depending on market size, provides stations a way to take advantage of WFMT's expansive 40,000-record library.

Commercial stations using BSN are given five minutes per hour to sell local advertising. Noncommercial stations plug in their individual underwriters and run house spots. WFMT, however, does not sell national ads for BSN.

The network is the brainchild of WFMT President Raymond Nordstrand, who saw a need for the satellite service after witnessing several classical music stations go out of business and some switch to other, more profitable, formats. He says stations had the desire to offer the specialized format but couldn't afford the announcer or lacked the necessary musical inventory.

Chicago freelancer Eileen Norris is a frequent contributor to Special Report.

Edgar Weinstock does his imitation of Beethoven for WFMT-FM's network.

To make it more appealing, WFMT says it not only will help a station get classical music on the air, it also will help find a way to pay for it.

The station need only look to banks to help radio stations find underwriters to finance the BSN. For years, Chicago's Talman Federal Savings & Loan has been WFMT's chief commercial sponsor. WFMT figured plenty of other financial institutions would be willing to share a similar kind of setup with radio stations that wanted to subscribe to BSN.

That logic rang true with Chicago-based U.S. League of Savings and its affiliated company, Advertising Division Inc., which currently is working with WFMT to find financial institutions that might be interested in underwriting the BSN. A non-commercial station at Ball State University, WBST-FM in Muncie, Ind., has worked out an agreement with Mutual Federal Savings in Muncie to sponsor the network. WCQS-FM, a public radio station in Asheville, N.C., found a financial backer in Asheville Federal Savings. These are two of six stations now underwritten by banks.

To make the network more appealing to stations, WFMT also offers to customize BSN so that, "once it hits their air, it's their product," says David Levin, BSN director-development.

The network's announcers will tape call letters and promos for BSN members if they want the network to have a local flavor. Mr. Levin says BSN's affiliate stations even get letters addressed to the announcer because listeners think they work for the local station. If a radio station wants BSN to sound like the national product it really is, the affiliate can use spots that identify it as being from Chicago.

So far, this new business venture has proven to be on the mark, although Mr. Levin won't be really satisfied with its progress until demand prompts the station to offer it 24 hours a day.

Still, for BSN, getting an audience of 30 million in one year isn't bad.

New Age a tough ad spot

New Age radio has been ridiculed as "audio Valium."" Rock critics have howled that the music is so insipid, prolonged listening may produce rigor mortis. But radio executives say consumers—particularly in the 25-to-54-year-old group—are tuning in to New Age stations.

Or are they?

Some analysts are concerned that New Age yields listeners whose passive relationship to radio may limit the effectiveness of commercials.

"The Wave, [Los Angeles' KTWV] is a classic example of a station where people barely know what's on. There are no disc jockeys, there's nothing to establish loyalty to the station—so it just kind of sits there," says John Parikhal, ceo of Joint Communications Corp., a Toronto-based media consultant.

"There's a good chance that people can hear your spot five times and not hear what's being said."

"How do I produce or write a commercial that breaks through the person's subconscious, when the station they're listening to is one they have to some extent tuned out?" says Jhan Hiber, VP-research at Cleveland-based Malrite Communications Group. "There's going to be a concern on the part of advertisers; it may do OK in [the ratings], but does it do the advertiser any good in moving product and making an impression?"

KTWV, the wonder child of the 80-station Los Angeles market, has been a lightning rod for criticism and questions.

Howard Bloom, KTWV VP-general manager, says "When commercials come on, they're highlighted. There isn't any question that it's a commercial, so people listen to it more clearly."

Advertisers and agencies are responsible for creating commercials that will work in the [New Age] format, says Lee Abrams, director of Atlanta-based Burkhart/Abrams/Douglas/Elliot & Associates, who helped launch New Age stations WNUA-FM, Chicago, and KLRS-FM, Santa Cruz, Calif.

"They can't be too much like Crazy Eddie's, but they can't be too relaxed either," Mr. Abrams says. "We've done a lot of tapes where we test different musical mixes to see what [types of] ads are retained.

"There's a certain production style where the spots do get retained by listeners and others where they just go right by."

"I'm going to get on my soapbox here," says Jim Duncan, publisher of "American Radio," Kalamazoo, Mich. "Advertising people with the smarts are going to be able to handle [creating effective ads for New Age stations]. If they put their most competent, creative people toward making excellent radio commercials, there's no reason why they can't handle that problem."

—Janice Steinberg

Radio HIT LIST

Top 10 spot radio advertisers

1.	Anheuser-Busch Cos.	$50.4
2.	General Motors Corp.	$35.2
3.	Miller Brewing Co.	$28.7
4.	PepsiCo	$22.3
5.	Sears, Roebuck & Co.	$21.9
6.	Delta Air Lines	$21.7
7.	Chrysler Corp.	$21.1
8.	Southland Corp.	$20.0
9.	Van Munching & Co.	$18.7
10.	Pillsbury Co.	$18.2

Source: Radio Advertising Bureau and Radio Expenditure Reports. Note: Dollars reflect 1986 spending and are in millions.

Largest category increase in spot radio

1.	Optical and photo	167.7%
2.	Confectioners	146.9%
3.	Gasoline and oil	99.3%
4.	Building, hardware	84.6%
5.	Drug products	66.0%
6.	Publishing and media	59.4%
7.	Healthcare industries	54.0%
8.	Home furnishings	11.4%

Source: Radio Advertising Bureau. Note: Figures represent increases in media spending from first quarter 1986 to first quarter 1987.

Top 10 network radio advertisers

1.	Sears Roebuck & Co.	$47.7
2.	Warner-Lambert Co.	$22.7
3.	AT&T Co.	$22.6
4.	General Motors Corp.	$22.2
5.	Anheuser-Busch Cos.	$16.5
6.	Bayer AG	$16.2
7.	Greyhound Corp.	$15.5
8.	Ford Motor Co.	$14.9
9.	Procter & Gamble Co.	$13.9
10.	Schering-Plough	$11.4

Source: Radio Advertising Bureau and Broadcast Advertisers Reports. Note: Dollars reflect 1986 spending and are in millions.

Top 10 agencies in radio billings

1.	Bozell, Jacobs, K&E	$148.5
2.	D'Arcy Masius B&B	$104.7
3.	Foote, Cone & Belding	$100.2
4.	J. Walter Thompson	$93.7
5.	Ross Roy Inc.	$65.0
6.	BBDO Worldwide	$63.3
7.	Ted Bates Worldwide	$54.5
8.	Ogilvy & Mather	$54.0
9.	Grey Advertising	$48.0
10.	DFS Dorland	$47.8

Note: Dollars reflect 1986 billings as reported in AA's U.S. Advertising Agency Profiles, March 26, 1987 and are in millions.

Allen sings the praises of radio

Whether he's engaged in inspired wordplay with his sidekick, Mark Simone, or trading silly songs with guest Mel Brooks, Steve Allen guffaws frequently on his live radio show on New York's WNEW-AM.

Mr. Allen, who started in radio in the 1940s, took over WNEW's 10 a.m.-to-2 p.m. weekday slot in January. The comedian/author/composer/musician says he is having a ball.

"To draw an analogy," Mr. Allen says, "on almost every Monday night Woody Allen performs at a little New York club, a restaurant called Michael's Pub.

"He simply plays Dixieland clarinet with a little Dixieland group. You might say that doing this WNEW show is my Michael's Pub."

Steve Allen's 1940s radio show took an unexpected turn toward comedy the night Doris Day didn't make her scheduled appearance.

The improvisational ability and zaniness of Steve Allen makes him great for radio.

Mr. Allen improvised hilariously for 25 minutes; fast-paced, ad-libbed humor is the cornerstone of his current program.

Mr. Allen's and Mr. Simone's banter has covered such subjects as why undershirts don't hold up the way they did 20 years ago and why bathing produces the "prune wrinkle response" on fingers only part of the time.

Westwood One, Culver City, Calif., now is developing plans to make the show available nationwide.

Despite his on-air zaniness, Mr. Allen also has a well-known serious side that emerges as he talks about the role of radio in American life and the current state of the medium.

"I strong disapprove of [shock radio]. Our society is getting depraved and disorganized enough, and that to me is simply worsening that trend, and not helping or countering it," he says.

He believes that radio's innate strengths are enough to guarantee its viability in a TV-dominated culture.

"Intimacy is a key word. There's something about just hearing a voice, whether or not you know what the fellow whose voice it is looks like, that makes people get closer to radio."

—Janice Steinberg

A new age for radio

(Continued from Page S-2)
buy the beautiful music, talk and middle-of-the-road stations that do well with older listeners.

On the other side of the baby boom contemporary hit radio, radio's hottest format a few years ago, may be heading for trouble as boomers move out of the format's primary 12-to-34-year-old demographic.

"The CHR stations that do a 1987 version of 1963 radio—bells and whistles and wacky promotions—are going to do great," says Mr. Abrams. However, he sees the format appealing mainly to teens and to "a type of 18 to 34-year-old who's not very musically sophisticated . . ."

Other industry observers say CHR is doing fine. "Malrite has some CHR stations that do very well—No. 1 in New York, No. 1 in Cleveland," says Mr. Hiber.

He coined the term "churban" to describe a CHR and black/urban hybrid, such as KPWR in Los Angeles, that attract a multi-ethnic audience and have soared in the ratings.

Z-Rock is a new youth-oriented syndicated format that debuted on WZRC-FM in Chicago last September. Bill Scott, operations manager at Dallas-based Satellite Music Network, says it designed the hard rock/heavy metal format to hit the 12-to-24 demographic, but the five stations carrying it—in Chicago, Cleveland, Dallas, Columbus, Ohio, and Grand Rapids, Mich.—have shown unexpected strength with 25-to-34-year-old listeners as well.

"Hard rock is picking up tons of teens, because it's dance music. It's easy to get into, it's new, it's something teens can call their own," says Mr. Parikhal. "I think hard rock is going to be a format that's got some potential if people can find ways to sell the young audience it attracts." In addition to Z network, KNAC-FM in Long Beach, Calif., has a similar format.

Some areas of radio clearly are in trouble. Country has lost ground. "If you could take the Mason-Dixon line and extend it across the country—a musical Mason-Dixon Line—in the Southern tier of states country has good longevity," Mr. Hiber says. "In markets above that line, I think it's going to be a much harder go."

Over the past several years, AM stations have come up with a number of unsuccessful formats to win back the 70% of the audience that listens to FM—game shows in San Francisco, an all-traffic station in L.A. But talk is the one format that has consistently worked—31% of all AM listening is devoted to news and talk stations, Mr. Duncan says.

In spite of these trouble areas, analysts say the radio industry is in excellent health. Revenues rose to $7.03 billion in 1986, up from $6.56 billion in 1985. According to Mr. Duncan, the value of FM stations has increased 30% to 35% in the last two or three years.

Mr. Abrams sees signs of financial health and also in radio's spirit. "A couple years ago I thought it was sort of sick, everything was getting over-researched and it was turning real boring. Now research is important, but so is being out to lunch a little bit. I see a lot of show biz values coming back, which I think is real healthy," he says.

Assistant editor Kevin Brown coordinated this report on Radio.

Coming

Next week ADVERTISING AGE's Special Report will take a week hiatus. The Sept. 14 report will focus on **Magazines.**

THE ONLY RADIO NETWORKS WHERE ADVERTISERS COME ~~FIRST~~ SECOND.

United Stations Radio Networks work BEST for advertisers because we work FIRST for radio.

United Stations is a team of seasoned radio pros, dedicated to giving affiliates the kind of customized news and sportscasts and the type of music programming they need most. When you give radio stations what they need, they'll use it.

In radio programmer polls, United Stations consistently is the network of choice for the best music programming for America's most popular radio formats. News directors, too, sing the praises of United Stations when it comes to our news and sports coverage.

Nobody is more tuned-in to local radio than United Stations. We spend an enormous amount of time and money creating quality radio programming. And it pays off. It pays off for local radio and it pays off for the network advertiser.

Sure, our advertisers come second.

If We Didn't Work for Radio We Couldn't Work for Advertisers!

UNITED STATIONS RADIO NETWORKS

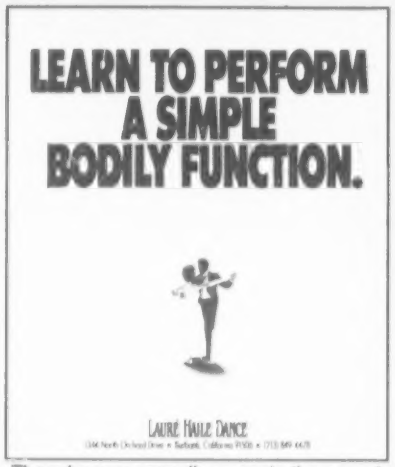
New York Washington, D.C. Chicago Detroit Dallas Los Angeles London

BEST OF PRESS

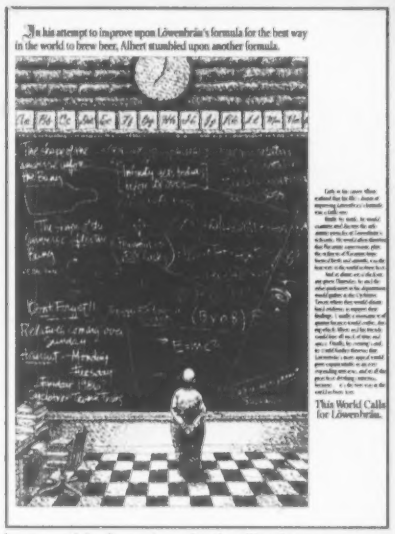
You Can Send Your Garbage on a Cruise...
Or You Can Send It to One of Our Flagships
1-800-248-8808
Wheelabrator Technologies Inc.

This ad for the Wheelabrator Environmental Systems unit of Wheelabrator Technologies capitalized on an ongoing news story to advertise what is not exactly your top-of-mind kind of service. The ad was conceived and written by John Sullivan, president-ceo of Wheelabrator Environmental Systems, Hampton, N.H. Art direction was provided by Kevin Stickney, Wheelabrator's director-communications.

This ad from Chiat/Day, New York, for Ricoh Corp. copiers, makes good use of a combination of an attention-grabbing headline and a dominant graphic to make its point, then it uses graphic breaks that make the long copy more visually appealing and readable. Creative director: Bill Hamilton; art director: Leslie Sweet; copywriter: Nat Whitten.



Though some may disagree, in the age of AIDS and other sexually transmitted diseases the words "bodily function" are enough to catch a prospect's eye. In this ad for Laure Haile Dance in Burbank, Calif., Hoffman York & Compton, Milwaukee, uses a play on those words in a dominant headline and a relatively small graphic to draw the reader into the ad. Creative directors: Tom Jordan, Reed Allen; art director: Mark Drewek; copywriter: West Hranchak.



In a world of me-too, look-alike beer advertising, this ad for Miller Brewing Co.'s Lowenbrau, via J. Walter Thompson USA, Chicago, really stands out—especially if one appreciates a tongue-in-cheek approach to consumer product advertising. Creative director: Tom Hall; art director: Tim Murphy; copywriters: Tom DeCerchio, Bart Darress; illustrator: Fred Hillaird.

Best of Press selections are made by: Hank Simons, VP-creative director of the Newspaper Advertising Bureau; James Dunaway, VP-information at the bureau; and Advertising Age. National System Inc., St. Louis, provides tearsheets to the Newspaper Advertising Bureau for much of this work. Agencies, clients and newspapers are invited to submit ads for review. Submissions should be sent to AA's New York bureau.

The Airline That's Been Rated Highest In Service Without Even Having First Class, Introduces First Class.
First Class. As Little As $20 Over Coach.
PIEDMONT

McKinney & Silver, Raleigh, N.C., used a good mix of color, large space and graphic placement amid type to introduce first-class service for client Piedmont Airlines. Creative director: Michael Winslow; art director: Anne Oakley; copywriter: Marty Kaufman; photographer: Terry Heffernan.

Ad spending tops $342M

New York—Advertiser investments during May in major-market daily newspapers in 16 major categories surged 9.5% from May 1986 to $342.7 million, the Advertising Age Flash Report indicates.

The overall gain was due in part to an extra Sunday this year, making a total of five, vs. four in May '86.

Leading the gainers was the new-car category, which grew 51.5% to $28.8 million. Other big gainers included general-merchandise stores, up 17% to $55.4 million; publishing and media, up 23% to $18.5 million; banks and trust companies, up 42.2% to $11.4 million; food stores, up 8.9% to $34.1 million; and computer stores and supplies, up 45.1% to $6 million.

Among other categories posting gains were amusements, up 3% to $32.2 million; department stores, up 3.7% to $103.2 million; and radio-TV-phonographs-records dealers, up 9% to $21.2 million.

Categories showing losses from May '86 were airlines, down 7% to $17.3 million; public service utilities and communications, down 29.7% to $5.3 million; alcoholic beverages, down 14.3% to $2.9 million; computers, equipment and services, down 25.8% to $2.4 million; cigarettes, down 51.3% to $1.5 million; stock, bond and investment houses, down 26.5% to $1.7 million; and camera., photo supplies and services retailers, down 4.1% to $827,752. The Flash Report is based on linage measurements by Media Records here in 29 daily and 22 Sunday newspapers in 15 major markets.#

FLASH REPORT: Newspaper advertising investment for May

May 1987		IN 100 THOUSANDS IN MILLIONS	DOLLARS		CHANGE	
CATEGORIES	YEAR		1987	1986	ACTUAL $ G OR L	% G OR L
Amusements	1987		$32,182,805	$31,257,084	+925,721	+3.0
	1986					
Computer stores & supplies	1987		6,057,892	4,174,711	+1,883,181	+45.1
	1986					
Department stores	1987		103,174,473	99,537,342	+3,637,131	+3.7
	1986					
Food stores	1987		34,119,043	31,341,995	+2,777,048	+8.9
	1986					
Radio, tv, phonographs, records	1987		21,243,957	19,487,007	+1,756,950	+9.0
	1986					
General merchandise stores	1987		55,436,258	47,372,012	+8,064,246	+17.0
	1986					
Alcoholic beverages	1987		2,916,110	3,404,588	488,478	-14.3
	1986					
Cameras, photo supplies & services	1987		827,752	862,810	-35,058	-4.1
	1986					
Computers, equipment & services	1987		2,432,147	3,275,635	-843,488	-25.8
	1986					
Public service utilities & communications	1987		5,268,037	7,489,103	2,221,066	-29.7
	1986					
Publishing & media	1987		18,476,909	15,027,717	+3,449,192	+23.0
	1986					
Cigarettes	1987		1,499,184	3,079,553	1,580,369	-51.3
	1986					
Airlines	1987		17,267,060	18,571,192	1,304,132	-7.0
	1986					
Passenger cars-new	1987		28,844,606	19,043,978	+9,800,628	+51.5
	1986					
Banks & trust companies	1987		11,452,819	8,051,196	+3,401,623	+42.2
	1986					
Stock, bond & investment houses	1987		1,669,225	2,272,380	603,155	-26.5
	1986					

This Flash Report of newspaper advertiser investments, compiled for Advertising Age by Media Records, is derived from tabulations that cover 29 dailies and 23 Sunday editions in 15 cities: Atlanta, Baltimore, Boston, Cincinnati, Chicago, Cleveland, Dallas, Denver, Detroit, Los Angeles, New York, Philadelphia, San Francisco, Washington and Youngstown.#

Source: Media Records Inc.

Pizza Hut wants BBDO to use tough approach

By SCOTT HUME

PepsiCo further strengthened its bonds with Omnicom Group last week when Pizza Hut awarded its $25 million national account to BBDO Worldwide, New York.

BBDO, principal agency for Somers, N.Y.-based Pepsi-Cola USA, picks up both the creative assignment (from Chiat/Day, Los Angeles) and media buying (from DeWitt Media, New York).

Wichita, Kan.-based Pizza Hut's regional co-op agencies will continue to augment national work with local-market creative.

The assignment marks a further consolidation of PepsiCo business at Omnicom agencies.

Tracy-Locke, Dallas, handles the $50 million Taco Bell account and, along with DDB Needham Worldwide, Chicago, much of the Frito-Lay snacks business. Those two shops also are part of Omnicom.

Kentucky Fried Chicken Corp., Louisville, Ky., which PepsiCo acquired last year, remains its largest piece of U.S. business outside the Omnicom fold. Young & Rubicam, New York, holds that $75 million account, and the world's largest chicken chain says it has no plans to make a change.

KFC last week launched a $40 million campaign via Y&R for its 1-ounce Chicken Littles sandwiches (AA, May 11, *et seq.*).

BBDO's mandate will be to create tougher, harder-sell advertising than the "Pizza Hut People" and "On the road with Pizza Hut" campaigns that C/D provided.

A Pizza Hut spokesman said BBDO was chosen because of its "superior creative abilities as well as its understanding of how best to leverage our size in the marketplace."

Industry observers translate that to mean that though Pizza Hut is the nation's largest pizza chain—with sales of about $2.5 billion in 1986—its market position has been undercut by delivery chains such as Domino's Pizza and price-cutting specialists like Little Caesar Enterprises.

Pizza Hut franchisees have made known their desire for advertising that clearly defines and sells the "brand" in a toughening market.

For its part, BBDO has made no secret of its interest in gaining a major restaurant account since it lost Burger King Corp. to J. Walter Thompson USA, New York, in 1976. BBDO was one of the five finalists for Pizza Hut's account in 1984 when C/D succeeded Foote, Cone & Belding, Chicago (AA, May 7, 1984).

Although included among the eight first-round contenders in BK's current review of what is now a $200 million account, BBDO was not among the three finalists named earlier this month (AA, Aug. 17).

BBDO's only competitor for Pizza Hut this time around was Saatchi & Saatchi DFS Compton, New York, which was hoping to rebound from its loss of the $50 million Wendy's International account (AA, Nov. 3).

The swiftness of the change—coming less than three weeks after C/D's official "resignation" of the account Aug. 8—appeared to confirm reports that Pizza Hut was holding something other than the "informal talks" with New York agencies it confirmed were under way last month (AA, Aug. 3).#

BK, Bartles recall up

(Continued from Page 3)

14.8% in June. Considering that Bartles & Jaymes' recall share was only 5.1% in March and 8.8% in April, its July score is impressive.

The Bartles & Jaymes brand faces a tough challenger in Jos. E. Seagram & Sons' Seagram's wine coolers, which became the top seller in some markets. That has raised questions about how long Gallo will continue to use the Hal Riney & Partners-created "Frank Bartles" and "Ed Jaymes" characters and campaign for the product.

Gallo this spring launched new creative executions to introduce a Premium Red extension of Bartles & Jaymes. The steady rise in the product's share of first mentions since then suggests that there's still some vitality and memorability left in Frank and Ed.

In second place behind Bartles & Jaymes in the wine category was advertising for Gallo's wines. San Francisco-based Riney also created that advertising. It received 12.5% of first mentions in July's survey, up 3.6 percentage points from June's 8.9% share.

Advertising for Banfi Vintners' Riunite placed third last month with an 8.9% share, followed by Seagram's at 3.2% and Brown-Forman Co.'s California Cooler at 1.4%.

BK's "Best food for fast times" campaign, recently augmented by new commercials supporting the national introduction of Burger Bundles, went from No. 8 in June to the bottom of July's top 10 list. But when respondents were asked specifically which fast-food advertising came to mind first, BK did quite well.

Last month, BK came to mind first for 19.5% of the sample, up 5.4 percentage points from June and nearly double the 5.9% share it received in May. It was BK's highest score since February 1986, when it garnered a 23% share.

J. Walter Thompson USA, New York, creator of the "fast times" positioning, is one of three agencies (with N W Ayer and D'Arcy Masius Benton & Bowles) preparing final presentations for the review of that $200 million account.

McDonald's Corp.'s share of first mentions was 40% in the July survey, twice that of second-place finisher Burger King but still Big Mac's lowest share since February 1986.

Wendy's International was third last month with a 10.2% share, Hardee's Food Systems was fourth with 4.4% and Taco Bell moved into the category's top 5 on the strength of its Steak Fajita campaign with 1.6%.

AdWatch is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb.

Ad awareness is measured by asking a nationally projectable sample to name the advertising that first comes to mind of all seen, heard or read in the previous 30 days.

Consumers are queried on the first ad they recall overall, yielding the top 10 list, as well as in a variety of product areas. During July, 1,000 adults were polled by telephone.

Those changes in advertising that are deemed statistically significant by adWatch researchers are attributable to more than sample variation.

In other significant changes in the July survey:

- Ford Motor Co. widened its lead over General Motors Corp.'s Chevrolet in the **cars & trucks** category with a 3.4-point increase to 22.5% of first mentions. Chevy came to mind first for 13.7% of the sample, down 2.5 points from its 16.2% share in the June survey.

Toyota Motor Sales USA held the third spot with a 7.9% share.

- Apple Computer has bounced back after getting a scare earlier this year from IBM Corp. in the **computer** category. IBM had vaulted into the No. 1 spot in April after launching its campaign studded with former "M*A*S*H" cast members, and while IBM's recall score remains higher than it traditionally had been before that campaign broke, Apple took only two months to reclaim the top spot.

Last month, Apple's advertising came to mind first for 28.4% of the sample, while IBM was named by 21.3%, down 2.3 points from its 23.6% share in June. Radio Shack ads were named first by 1.6%.#

For more information or data, contact SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

Chevrolet plans

(Continued from Page 3)

in 1988, so we will spend less on production and more on actual time," she said. TV and print spending will rise, she said.

Promotion will be decreased because the company is not introducing any new-car brands for 1988, only new models of existing brands, she said.

In 1987, Chevrolet ran a big promotion with Procter & Gamble Co. to introduce the full-size pickup truck and the Corsica/Beretta.

Keys for these models were placed in packages of seven P&G products. Today, the Corsica/Beretta accounts for 20% of all Chevrolet sales.

Mr. Staudt said the promo drew 2.5 million people to Chevy showrooms. He attributed one-third of the name recognition for the new models to promotion.

Chevrolet projects total industry sales of 10.3 million cars and 4.7 million trucks in the 1988 model year, General Manager Robert D. Burger said. That will be a 2% drop from 1987's 15.4 million cars and trucks sold, boosted primarily by end-of-the-year clearance sales.

Chevy, responsible for more than 40% of GM's total sales, expects to sell 1.7 million cars and 1.25 million trucks in the 1988 model year.#

Pat Sloan in New York contributed to this story.

For the Record

REVLON GROUP, New York, took its estimated $6 million Charles of the Ritz fragrance account in-house from Rosenfeld, Sirowitz, Humphrey & Strauss. Brands include Carrington, Enjoli, Forever Krystle and Jean Nate. The move was made for consolidation and cost-savings purposes. Revlon completed its acquisition of Ritz from Yves Saint Laurent International this month. RSH&S retains the Bain de Soleil suncare line, which Revlon sold to Procter & Gamble Co.'s Richardson-Vicks division. Spending is about $4 million.

HYUNDAI MOTORS AMERICA, Garden Grove, Calif., named **Backer Spielvogel Bates**, New York, to handle its $12 million central U.S. dealer advertising association account. The newly formed group (AA, July 27) starts a Midwest rollout Oct. 1 in Chicago, Cincinnati, Minneapolis and St. Louis that by next year will make the car a national brand. BSB, which handles Hyundai's national account and its Eastern, Western and Southern dealer groups, will expand its Chicago field office to service the Midwest account.

MAGAZINE ADVERTISING RESULTS rose in July compared with a year earlier, reports Publishers Information Bureau, New York. Ad pages gained 6.4% to 9,312, while revenues climbed 7.9% to $320.6 million. For the year to date, ad pages are up 1% to 83,792, while revenues have increased 3.2% to $2.88 billion.

BLACK ENTERTAINMENT TELEVISION, Washington, next week breaks a $1 million radio campaign to promote the cable channel's fall 1987 schedule and prod more cable operators into offering BET. The campaign, created in-house, is the first in BET's seven-year history.

CAPITAL CITIES/ABC'S Fairchild Publications, New York, acquired *Financial Services Times*, a monthly, from M&S Communications, Newton, Mass. Fairchild will merge the title into *FP Week*, which it planned to launch in October. The new magazine will debut as an every-other-weekly entitled *Financial Services Week*. Fairchild Senior VP Stephen Stoneburn, 44, will be publisher.

VALVOLINE OIL CO., Lexington, Ky., on Sept. 7 begins national TV and print advertising and a rebate promotion for its motor oil. Country singer Willie Nelson performs "On the Road Again" and provides voice-over for one of the TV spots. Bozell, Jacobs, Kenyon & Eckhardt, Atlanta, handles the estimated $20 million account.

PRODUCT MOVERS, New York, one of the largest U.S. printers and distributors of free standing inserts, on Sept. 27 will include an editorial against the Florida ad tax in 3 million FSIs scheduled to run in 14 Florida newspapers. The editorial will urge consumers to write to Gov. Bob Martinez to protest the tax. Product Movers already canceled its TV spots in Florida markets.

SHANDWICK PLC, London, will acquire Casey Communications Management, a Southfield, Mich., public relations company with 1986 revenues of $3.1 million. Earlier this month, Shandwick bought three public relations or publications management companies in Rockville, Md., and Los Angeles.

OGILVY & MATHER, New York, will open a Dearborn, Mich., office in October with about 10 staffers. O&M last month won the $20 million Ford Parts & Service Division account. O&M U.S. Chairman Graham Phillips said servicing Ford is the primary goal, "but down the road we hope to expand this new office into a full-service agency."

GILLETTE CO., Boston, breaks a TV campaign Sept. 14 for its new Soft & Dri Wide Oval Solid antiperspirant deodorant. The 30 and 15-second spots, via BBDO Worldwide, New York, will run on daytime, syndication and cable TV. Separately, Gillette last week reached an agreement to sell its Paris-based S.T. Du Pont specialty pen and lighter company to Dickson Concepts Ltd., a subsidiary of Dickson Too Holding Co., Hong Kong, marketer of luxury goods. Dupont had 1986 sales of about $50 million.

ANHEUSER-BUSCH, St. Louis, added an execution in its "Night belongs to Michelob" campaign with music by the Robert Cray Band, which joins Phil Collins, Genesis, Roger Daltrey and Wang Chung on the list of pop groups now represented in the year-old campaign. DDB Needham Worldwide, Chicago, handles.

ABC, New York, last week began scheduling preseason series debuts. "Growing Pains," usually seen on Tuesdays, will open with a one-hour version at 8 p.m. (ET) Friday, Sept. 18, leading into the return of "Max Headroom" at 9 p.m. "Once a Hero" will open with a 90-minute episode at 8 p.m. Sept. 19. In "premiere week," ABC will preview "Full House" Sept. 22 behind "Who's the Boss?" and "I Married Dora" at 9:30 p.m. behind "Pains" on its regular night. The newcomers go to their regular Friday berths on Sept. 25—vs. CBS' two-hour "Dallas" *(see related story on Page 45.)*.

ACCOUNT ACTIVITY: **Blue Cross & Blue Shield Association**, Chicago, to **Hal Riney & Partners** from HDM Dawson Johns & Black for its $10 million national account. . . . **Robert Bosch Corp.**, Broadview, Ill., to **BBDM**, Chicago, and **J. Walter Thompson USA**, Detroit, from Ogilvy & Mather, Chicago, for its $6 million-to-$8 million account. BBDM gets the Blaupunkt car-stereo business, while JWT picks up the corporate and automotive accessories accounts. Spending will be split about evenly. . . . **Service Corp. International**, Houston, the nation's leading funeral services company, to **Penny & Speier** to handle advertising for six of its funeral division's eight regions. The $2 million account had been split among local agencies. Moss & Co., New York, still handles the other two regions and the $6 million-plus account for Guardian Plan, Service Corp.'s pre-arranged funeral division. . . . **Daisy Manufacturing Co.**, Rogers, Ark., to **Doe-Anderson**, Louisville, Ky., from Ackerman, Hood & McQueen, Oklahoma City, for its $1 million airgun, ammunition and accessories account.

WORTH NOTING: **Robert Stempel**, 53, to president-chief operating officer, General Motors Corp., Detroit, from exec VP. He succeeds **F. James McDonald**, 64, who retires today. . . . **Robert Holmes a'Court**, one of Australia's media barons, has almost doubled his stake to 3.2% in John Fairfax Ltd., Australia's second-largest publishing company. . . . **Dallas-Fort Worth Home & Garden** has ceased publication after nine years. Its parent, City Home Publishing, Houston, will continue publishing *Houston Home & Garden*.